

Income tax arrears

1776. SHRI NAGENDRA NATH QJHA:
SHRI GAYA SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) what is the total income tax arrears as on 31st March, 2001; and
- (b) the steps being taken to realise the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The arrears of Income-Tax as on 31st December, 2000 is Rs. 23293 crores.

(b) The Income Tax Act prescribes a statutory procedure for recovery of taxes. The recovery of outstanding tax is a continuous process. The process starts after the demand falls due after 30 days of the service of the demand notice. Thereafter, action is taken by Assessing Officer in respect of unstayed demands by charging interest, levying penalty, attaching bank accounts etc. In difficult cases, the matter is referred to Tax Recovery Officer who takes various coercive measures as per the Act. The recovery action taken by the Assessing Officer and TRO is closely monitored by the higher Income Tax Authorities.

Special Grant to Maharashtra

1777. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government of Maharashtra has demanded 1300 crores for special grant in order to solve problems due to the influx of people; and

(b) if so, whether Government are considering Maharashtra Government's request?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Grants to State Governments are determined on the basis of recommendation of the Finance Commission set up under the Constitution. The devolution to the State Government of Maharashtra as recommended by the Eleventh Finance Commission is being provided to the State Government. There is no provision for providing special grants to the State Government for the purpose indicated.